

**IN THE UNITED STATES DISTRICT COURT FOR THE
EASTERN DISTRICT OF PENNSYLVANIA**

ARTHUR BEDROSIAN,

Plaintiff,

v.

UNITED STATES OF AMERICA, et al.,

Defendants.

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) Case No. 2:15-cv-05853
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**PLAINTIFF ARTHUR BEDROSIAN'S
MOTION TO STAY EXECUTION OF JUDGMENT PENDING APPEAL**

Plaintiff Arthur Bedrosian hereby moves for an order staying execution of the judgment in this case set forth in an order entered on January 29, 2021 [ECF 95] and approving a bond in the form of an irrevocable letter of credit issued in the United States' favor in the amount of \$1,741,241.00 (the "Letter of Credit") pursuant to Federal Rule of Civil Procedure 62 during the pendency of his appeal to the United States Court of Appeals for the Third Circuit. A copy of the Letter of Credit is attached hereto as Exhibit A.

1. On January 29, 2021, the Court entered a memorandum and order setting forth the judgment against Plaintiff in the total amount of \$1,371,371.43 [ECF 94 and 95]. The order setting forth the judgment in favor of Defendant also provided for accrual of interest before and after the entry of judgment.

2. On March 24, 2021, Plaintiff filed his Notice of Appeal to the United States Court of Appeals for the Third Circuit with this Court [ECF 96].

3. On March 24, 2021, Plaintiff moved the Court to approve a stay pending appeal and waiver of the requirement to provide a bond or other security [ECF 97].

4. On April 9, 2021, the Court denied in part and granted in part Plaintiff's motion, and issued an order that a stay would go into effect upon Plaintiff's posting a supersedeas bond or other security for the full amount of the judgment [ECF 100].

5. Since the Court's order, Plaintiff procured the Letter of Credit in the Defendant United States' favor in the full amount of the judgment, plus an additional amount for interest and fees, for a total amount of \$1,741,241.00.

6. Federal Rule of Civil Procedure 62(b) provides that "At any time after judgment is entered, a party may obtain a stay by providing a bond or other security. The stay takes effect when the court approves the bond or other security and remains in effect for the time specified in the bond or other security." In 2018, Federal Rule of Civil Procedure 62(b) was amended. The current rule in subdivision (b) carries forward in modified form the supersedeas bond provisions of former Federal Rule of Civil Procedure Rule 62(d). *See* Fed. R. Civ. P. 62 advisory committee's note to 2018 amendment.

7. The Letter of Credit satisfies the supersedeas bond requirements.

8. Counsel for Plaintiff communicated via email with Counsel for the Defendant, who has agreed not to contest the present Motion to Stay.

WHEREFORE, pursuant to Federal Rule of Civil Procedure 62(b), Plaintiff respectfully request that the Court enter an order staying execution of the judgment entered in this case pending his appeal and approve the Letter of Credit as sufficient security for a stay of execution.

Respectfully submitted,

/s/ Patrick J. Egan
Patrick J. Egan, Esquire
Beth L. Weisser, Esquire
Fox Rothschild LLP
2000 Market Street, 20th Floor
Philadelphia, PA 19103

Attorneys for Plaintiff Arthur Bedrosian

Dated: June 16, 2021

**IN THE UNITED STATES DISTRICT COURT FOR THE
EASTERN DISTRICT OF PENNSYLVANIA**

ARTHUR BEDROSIAN,

Plaintiff,

v.

UNITED STATES OF AMERICA, et al.,

Defendants.

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ORDER

AND NOW, upon consideration of Plaintiff Arthur Bedrosian's motion to stay execution of judgment pending appeal and approval of bond or other security, IT IS HEREBY ORDERED that Plaintiff's motion is GRANTED. Any execution on, or proceeding to enforce, the judgment in this action [ECF 95] is stayed pending the resolution of any appeal in this matter.

It is so ORDERED this _____ day of June, 2021.

BY THE COURT:

Michael M. Baylson, U.S.D.J.

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CERTIFICATE OF CONCURRENCE

In accordance with L.R. 7.1, counsel for the movant contacted counsel for Defendant, The United States, by email on June 14, 2021 seeking concurrence in the relief sought by the instant Motion: a stay of execution on the judgment and approval of bond or other security pending appeal. By email on June 16, 2021, Defendant's counsel indicated that he concurs in the relief sought by this Motion.

Respectfully submitted,

/s/ Patrick J. Egan
Patrick J. Egan, Esquire
Beth L. Weisser, Esquire
Fox Rothschild LLP
2000 Market Street, 20th Floor
Philadelphia, PA 19103

Attorneys for Plaintiff Arthur Bedrosian

Dated: June 16, 2021

CERTIFICATE OF SERVICE

I certify that the foregoing *Motion to Stay Execution of Judgment Pending Appeal* was filed on June 16, 2021 through the Court's CM/ECF filing system, which will automatically send a copy to the following:

Nishant Kumar
United States Department of Justice
Ben Franklin Station
P.O. Box 227
Washington, DC 20044
Counsel for Defendant

Kavitha Bondada
United States Department of Justice
Tax Division
555 4th Street NW
Judiciary Center Building
Washington, DC 20001
Counsel for Defendant

/s/ Patrick J. Egan
Patrick J. Egan, Esquire

Exhibit A

SureTec Insurance Company

THE UNITED STATE DISTRICT COURT, EASTERN DISTRICT OF PENNSYLVANIA

ARTHUR BEDROSIAN

v.

THE UNITED STATES OF AMERICA,
DEPARTMENT OF THE TREASURY,
INTERNAL REVENUE SERVICE

No. 15-5853

UNDERTAKING FOR _____

APPEAL

WHEREAS, the above named Arthur Bedrosian desire(s)
to give undertaking for Appeal
as provided by section 62(b) of the Federal Rules of Civil Procedure.

NOW, THEREFORE, the undersigned surety, does hereby obligate itself, jointly and severally to The United States of America, Department of the Treasury, Internal Revenue Service
under said statutory obligations in the sum of One Million Seven Hundred Forty One Thousand Two Hundred Forty One and NO/100s Dollars (\$ 1,741,241.00).

IT IS FURTHER AGREED by the Surety, that in case of default or contumacy on the part of the Surety, the Court may, upon notice to it of not less than ten days, proceed summarily and render judgment against it in accordance with their obligation and award execution thereon.

Signed, sealed and dated this 11th day of June, 2021.

BOND NO. 3490397

PREMIUM: \$17,412.41

BY: 

Brandon Back

Attorney-in-fact

POA #: 3490397

SureTec Insurance Company

LIMITED POWER OF ATTORNEY

Know All Men by These Presents, That SURETEC INSURANCE COMPANY (the "Company"), a corporation duly organized and existing under the laws of the State of Texas, and having its principal office in Houston, Harris County, Texas, does by these presents make, constitute and appoint

Brandon Back

its true and lawful Attorney-in-fact, with full power and authority hereby conferred in its name, place and stead, to execute, acknowledge and deliver any and all bonds, recognizances, undertakings or other instruments or contracts of suretyship to include waivers to the conditions of contracts and consents of surety for:

Principal: Arthur Bedrosian

Amount: \$ 1,741,241.00

and to bind the Company thereby as fully and to the same extent as if such bond were signed by the President, sealed with the corporate seal of the Company and duly attested by its Secretary, hereby ratifying and confirming all that the said Attorney-in-Fact may do in the premises. Said appointment is made under and by authority of the following resolutions of the Board of Directors of the SureTec Insurance Company:

Be it Resolved, that the President, any Vice-President, any Assistant Vice-President, any Secretary or any Assistant Secretary shall be and is hereby vested with full power and authority to appoint any one or more suitable persons as Attorney(s)-in-Fact to represent and act for and on behalf of the Company subject to the following provisions:

Attorney-in-Fact may be given full power and authority for and in the name of and of behalf of the Company, to execute, acknowledge and deliver, any and all bonds, recognizances, contracts, agreements or indemnity and other conditional or obligatory undertakings and any and all notices and documents canceling or terminating the Company's liability thereunder, and any such instruments so executed by any such Attorney-in-Fact shall be binding upon the Company as if signed by the President and sealed and effected by the Corporate Secretary.

Be it Resolved, that the signature of any authorized officer and seal of the Company heretofore or hereafter affixed to any power of attorney or any certificate relating thereto by facsimile, and any power of attorney or certificate bearing facsimile signature or facsimile seal shall be valid and binding upon the Company with respect to any bond or undertaking to which it is attached. (Adopted at a meeting held on 20th of April, 1999)

In Witness Whereof, SURETEC INSURANCE COMPANY has caused these presents to be signed by its President, and its corporate seal to be hereto affixed this 23rd day of July, A.D. 2020.

SURETEC INSURANCE COMPANY

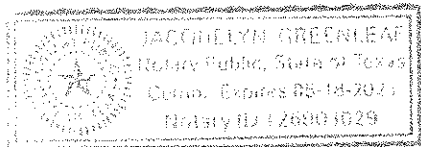
By: 

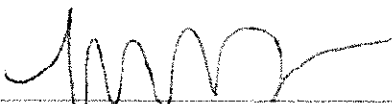
Michael C. Keimig, President

State of Texas SS:
County of Harris



On this 23rd day of July, A.D. 2020 before me personally came Michael C. Keimig, to me known, who, being by me duly sworn, did depose and say, that he resides in Houston, Texas, that he is President of SURETEC INSURANCE COMPANY, the company described in and which executed the above instrument; that he knows the seal of said Company; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said Company; and that he signed his name thereto by like order.





Jacquelyn Greenleaf, Notary Public
My commission expires May 18, 2021

I, M. Brent Beaty, Assistant Secretary of SURETEC INSURANCE COMPANY, do hereby certify that the above and foregoing is a true and correct copy of a Power of Attorney, executed by said Company, which is still in full force and effect; and furthermore, the resolutions of the Board of Directors, set out in the Power of Attorney are in full force and effect.

Given under my hand and the seal of said Company at Houston, Texas this 11th day of June, 2021, A.D.


M. Brent Beaty, Assistant Secretary

Any instrument issued in excess of the penalty stated above is totally void and without any validity.

For verification of the authority of this power you may call (713) 812-0800 any business day between 8:30 am and 5:00 pm CST.

Senate Bill 1050, amends Sections 1189 and 1195 of the Civil Code and Section 8202 of the Government Code, relating to notaries public. The below physical format of the new disclosure notice is an example, for purposes of illustration.

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of ORANGE

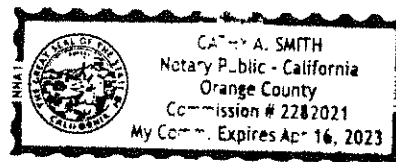
On June 11, 2021 before me, Cathy A. Smith (here insert name and title of officer), personally appeared Brandon Bach, who proved to me on the basis of satisfactory evidence to be the person~~(s)~~ whose name~~(s)~~ is/are subscribed to the within instrument and acknowledged to me that ~~he~~she/they executed the same in ~~his~~her/their authorized capacity~~(ies)~~, and that by ~~his~~her/their signature~~(s)~~ on the instrument the person~~(s)~~, or the entity upon behalf of which the person~~(s)~~ acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct

WITNESS my hand and official seal.

Signature 

(Seal)





IRREVOCABLE LETTER OF CREDIT NO. LOCBED52821

Date: May 28, 2021

SureTec Insurance Company
2103 CityWest Boulevard, Suite 1300
Houston, TX 77042

Gentlemen:

At the request of Arthur P. Bedrosian, we, Hyperion Bank, 199 West Girard Avenue, Philadelphia, PA 19123 have opened an IRREVOCABLE LETTER OF CREDIT in your favor up to an aggregate of \$1,741,241.00 (amount) U.S. Dollars.

We warrant to you that all your drafts under this IRREVOCABLE LETTER OF CREDIT WILL BE DULY HONORED UPON PRESENTATION OF YOUR DRAFT(s) drawn on us at 199 West Girard Avenue, Philadelphia, PA 19123 on or before the expiration date or on or before any automatically extended date as set forth below. Our obligation under this Letter of Credit is the individual obligation of the Bank, in no way contingent upon reimbursement with respect thereto, or upon our ability to perfect any lien or security interest.

This IRREVOCABLE LETTER OF CREDIT expires on July 28, 2031 (expiration date) but will be automatically extended for additional consecutive one year terms if you have not received by Registered Mail notification of our intention not to renew 30 days prior to the original expiry date and each subsequent expiry date. Such notification shall be to the attention of Surety Department at the above address.

THIS LETTER OF CREDIT IS SUBJECT TO THE UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDIT (2007 REVISION), INTERNATIONAL CHAMBER OF COMMERCE PUBLICATION NO. 600.

(Authorized Signature)

Louis J. DeCesare, Jr., President & COO
(Title)